Registered No. M. 4031.

# GAZETTE EXTRAORDINARY

## PUBLISHED BY AUTHORITY

Vol. VII. No 10.

Trivandrum, Wednesday, 22nd February 1956|10th Kumbham 1131.

(Bill No. 2 of 1956)

NOTIFICATION

LA 4-183/56.

The following Bill together with the Statement of Objects and Reasons attached to it, is published as ordered by the Speaker under Rule 73 of the Rules of Procedure and Conduct of Business in the Travancore-Cochin Legislative Assembly.

Legislature Secretariat,
Trivandrum,
22nd February 1956.

V. Krishnamoorthi,
*Secretary,*
*Legislative Assembly.*

### THE TRAVANCORE-COCHIN GENERAL SALES-TAX (AMENDMENT) BILL, 1956.

A Bill further to amend the Travancore-Cochin General Sales-tax Act, 1125.

*Preamble.* Whereas it is expedient further to amend the Travancore-Cochin General Sales-tax Act, 1125 (Act XI of 1125), for the purposes hereinafter appearing;

Be it enacted in the Seventh Year of the Republic of India as follows:—

1. *Short title and commencement.* (1) This Act may be called the Travancore-Cochin General Sales-tax (Amendment) Act, 1956.

(2) It shall come into force at once.

2. *Amendment of Section 3, Act XI of 1125.* In Section 3 of the Travancore-Cochin General Sales-tax Act, 1125 (Act XI of 1125), hereinafter referred to as the principal Act—

(i) after sub-section (1), the following sub-section shall be inserted, namely :—

" (1A) The tax for each year may be assessed, levied and collected in advance during the year in monthly or quarterly instalments, and for that purpose a dealer may be required to furnish an advance estimate of his turnover for the year, or periodical returns of the actual turnover as may be prescribed. The assessing authority may determine the amount of tax payable in respect of any period and on such assessment the dealer shall pay the sum demanded within such time as may be fixed by such authority." ;

(ii) in sub-section (5), for the expression "sub-sections (1) and (2)", the expression "sub-sections (1), (1A) and (2)" shall be substituted.

3. *Act to have retrospective effect.* The principal Act shall be read and construed as if the amendments made by Section 2 had formed part of the principal Act from its commencement.

## STATEMENT OF OBJECTS AND REASONS.

Section 3(1) of the Travancore-Cochin General Sales-tax Act, 1125 provides for the levy of sales-tax on the sale of goods and the rules made under the Act provide for the collection of the tax in advance even before the end of the financial year. The provisions regarding the levy and collection of sales-tax in Madras were also similar. The Madras High Court held that the provisions relating to levy of tax in advance were *ultra vires* in as much as the Madras General Sales-tax Act did not provide for rules being made for the levy of tax in advance. The law as stated by the Madras High Court has been accepted by the Madras Government and they have accordingly amended their Act to validate the assessment of tax in advance. Government consider it advisable to amend the State Act on the lines of the amendments made in the Madras General Sales-tax Act. It is accordingly proposed to amend the Act so as to specifically authorise the Government to provide for the levy of sales-tax in advance. It is also proposed to give retrospective effect to the proposal from the date of commencement of the principal Act. The Bill is intended to give effect to the above proposals.

A. J. JOHN.

(Bill No. 3 of 1956)

NOTIFICATION.

LA4-210/56.

The following Bill together with the Statement of Objects and Reasons attached to it, is published, as ordered by the Speaker under Rule 73 of the Rules of Procedure and Conduct of Business in the Travancore-Cochin Legislative Assembly.

Legislature Secretariat,
Trivandrum, 22nd February 1956.

V. KRISHNAMOORTHI,
*Secretary,*
*Legislative Assembly.*

THE TRAVANCORE-COCHIN STATE AID TO INDUSTRIES (AMENDMENT) BILL, 1956.

A BILL FURTHER TO AMEND THE TRAVANCORE-COCHIN STATE AID TO INDUSTRIES ACT, 1952 (ACT XIX OF 1952)

*Preamble.*—WHEREAS it is expedient further to amend the Travancore-Cochin State Aid to Industries Act, 1952 (Act XIX of 1952) for the purposes hereinafter appearing;

BE it enacted in the Seventh Year of the Republic of India as follows:—

1. *Short title and commencement*—(1) This Act may be called the Travancore-Cochin State Aid to Industries (Amendment) Act, 1956.

(2) It shall come into force at once.

2. *Amendment of Section 11, Act XIX of 1952.*—In Section 11 of the Travancore-Cochin State Aid to Industries Act, 1952 (Act XIX of 1952), hereinafter referred to as the said Act,—

(i) for the first proviso to clause (a) of sub-section (1), the following provisos shall be substituted, namely:—

"Provided that no such loan shall exceed,—

(i) where the assets of the industry to which it is granted and other property, if any, offered as collateral security are free from encumbrances at the time when the application for the loan is made, the prescribed percentage of the value of such assets and other property; and

(ii) where the assets of the industry to which it is granted and other property, if any, offered as collateral security are subject to any encumbrance at the time when the application for the loan is made, the prescribed percentage of the net value of such assets and other property after deducting such encumbrance;

the aforesaid value or net value, as the case may be, being ascertained by the Director in the prescribed manner:

Provided further that, in a case falling under clause (ii) of the first proviso, it shall be competent for the authority granting the loan to grant a loan not exceeding the prescribed percentage of the value of the assets and of other property, if any, offered

as collateral security without deducting the encumbrances and discharge all such encumbrances from out of the loan:";

(ii) in sub-section (2), for the words, brackets, letter and figure "the first proviso to clause (a) of sub-section (1)", the following words, brackets, letter and figure shall be substituted, namely:—

"the first or second proviso, as the case may be, to clause (a) of sub-section (1)";

(iii) sub-section (3) shall be omitted.

3. *Amendment of Section 16, Act XIX of 1952.* In section 16 of the said Act, for the words, brackets, letter and figures "the first proviso to clause (a) of sub-section (1) of section 11", the following words, brackets, letter and figures shall be substituted, namely:—

"the first or second proviso, as the case may be, to clause (a) of sub-section (1) of section 11".

4. *Repeal.* The Travancore-Cochin State Aid to Industries (Amendment) Ordinance, 1956 (I of 1956) is hereby repealed.

## STATEMENT OF OBJECTS AND REASONS.

Sub-section (1) of section 11 of the Travancore-Cochin State Aid to Industries Act limits the amount of loan that can be granted to an industry to the prescribed percentage of the net value of the assets of the industry and of other property offered as collateral security, after deducting all encumbrances thereon. Sub-section (3) of the same section enable the Government to discharge the encumbrances.

In cases where the assets of the industry and the property offered as security are encumbered, it is found that the amount of loan that can be granted will be substantially reduced, in as much as it is to be the prescribed percentage of the net value, less encumbrances. If however, in such cases, the amount of loan is calculated on the value of the assets and the collateral security, and provision is made for the discharge of the encumbrances from out of such amount, the balance amount at the disposal of the industry will be much higher than what the industry will get under the existing provisions. This will not also affect the interests of Government. For, if from the amount of the loan prior encumbrances are cleared, then the position will be the same as granting a loan to the extent of the prescribed percentage on an unencumbered property. With a view to enable small scale industries to obtain substantial aid, it is considered necessary to alter the law as indicated above. In order to give effect to this, His Highness the Rajpramukh promulgated the Travancore-Cochin State Aid to Industries (Amendment) Ordinance, 1956 (I of 1956). The present Bill is intended to replace the Ordinance by an Act of the Legislature.

A. A. RAHIM.

PRINTED AND PUBLISHED BY THE S. G. P. AT THE GOVERNMENT CENTRAL PRESS, TRIVANDRUM, 1956.

## Gazette No. 11 dated 13th March 1956.

**PART I**

### NOTIFICATIONS.

I

L6-6084/54/DD (1). *27th February 1956.*

S. R. O. 16.—It is hereby notified that in pursuance of Rule 8 (1) of the Travancore-Cochin Boiler Attendants' Rules 1954, a Board of Examiners has been constituted for the State of Travancore-Cochin consisting of :—

1. The Chief Inspector
2. Sri A. Mathew—An Inspector nominated by the Chief Inspector.
3. The following two members appointed by Government namely :—
    1. Sri K. A. Sitaraman, B. Sc., (Eng.), Chief Mechanical and Electrical Engineer, The Tata Oil Mills Co. Ltd., Ernakulam.
    2. Sri P. N. Menon, B. Sc., (Eng.), Superintendent, Mechanical Maintenance Division, Messrs. Fertilisers and Chemicals, Travancore Ltd., Alwaye.

II

L6-6084/54/DD (2). *27th February 1956.*

S. R. O. 17.—In pursuance of Rule 62 of the Travancore-Cochin Boiler Rules 1954, Government are pleased to appoint Sri M. K. Devassy, I. A. S., Secretary to Government as the President of the Appellate Authority for a period of 3 years.

III

L6-6084/54/DD (3). *27th February 1956.*

S. R. O. 18.—In pursuance of Rule 63 of the Travancore-Cochin Boiler Rules 1954, Government are pleased to constitute a panel of assessors for the purpose of assisting in the hearing of appeals, consisting of the following members:—

1. Mr. A. Billington, M. I. Plant E, Engineer, Punalur Paper Mills Ltd., Punalur.
2. Sri K. A. Sitaraman, B. Sc., (Eng.), Chief Mechanical and Electrical Engineer, The Tata Oil Mills Co., Ltd., Ernakulam.
3. Mr. L. Doraiswamy, B., E., A. M. I. E., Chief Engineer, Travancore Rayons Ltd., Rayonpuram P. O.
4. Sri P. N. Menon, B. Sc., (Eng.), Superintendent, Mechanical Maintenance Division, Messrs. Fertilisers and Chemicals, Travancore Ltd., Alwaye.
5. Sri K. R. Menon, B. Sc., (Eng.), Superintendent, Government Engineering Workshop, Chackai, Trivandrum.